



**Testimony for Appropriations Committee Hearing  
March 11, 2010**

**RE: March 1, 2010 - Deficit Mitigation Plan**

On behalf of the Palace Theater in Waterbury Connecticut, where I serve as the CEO, I would like to again take this time to express my concern over the Governor's proposed Deficit Mitigation Plan, which calls for not only a 25% decrease in Culture, Tourism and Arts and Basic Cultural Resource grants, but looks to also decrease Line-Item Grants by another 35% on top of the initial 5% decrease organizations such as the Palace Theater have already experienced.

We, in the arts, are all concerned with the economic stability of our State, fully understand the serious nature of this budget crisis and appreciate the need for budgetary cuts, yet our broader concern is that although difficult financial decisions must be made, the arts have already experienced significant cuts, with additional cuts only further jeopardizing the livelihood of the many of these artistic and cultural organizations.

Why is maximum funding for the arts so important?

- The arts mean jobs in our State: 170,000 statewide; 214 specifically at the Palace Theater.
- The arts generates over \$3.8 billion in gross state product annually, the Palace is a \$6 million dollar annual operation.
- The arts successfully leverages \$11 for every dollar spent by the State through private sector contributions, the Palace annually raises 2 times the amount of State support, through donations, memberships, grants and sponsorships.
- The arts improve the quality of life for the citizens of the State through high quality entertainment, integrated arts and educational programs and creating an engaged and enlightened community.

At a glance the arts could be considered by some as non-essential to the fabric of our state community, as we don't feed the hungry, heal the sick, or provide broader social services to those in need, but as the complexion of our State is made up of much more than those in need, the services we do provide via the arts are not only essential to the livelihood of our cities, but vital to the vibrancy of these communities.

When you consider that a goal of our government is to not only attract new residence or employees to the State, but to also retain a dynamic workforce in the State, one can't help but realize that arts and cultural organizations, such as the Palace, were specifically designed to assist in achieving this goal. Not only do we entertain, we educate, we enhance of lives of our residents and we are directly responsible for building a proud sense of community.

At a glance you can look at the Palace as just another theater, but at its core the Palace Theater is more so an economic and social catalyst for an improved regional and State economy. As we all work to survive these financially challenging times, I ask that you consider the importance of the work that the State's art organization provide and hope that you will agree that we are deserving of your maximum financial support in hopes of collectively working to stabilize our economy.

On behalf of the Palace Theater, I thank you.

Frank Tavera  
Chief Executive Officer  
Palace Theater- Waterbury